



**Senate Committee on Government Operation**

**June 30, 2013**

**HB 4714 S-7**

**Written testimony provided by:**

**Judy Stewart**

**Director, State Government Relations**

**American Cancer Society Cancer Action Network**

**1755 Abbey Rd.**

**East Lansing, MI 48823**

**248.259.1369, [judy.stewart@cancer.org](mailto:judy.stewart@cancer.org)**

To put our comments in context, it is important to understand the burden of cancer. One in two men and one in three women will be diagnosed with cancer in their lifetime. The American Cancer Society estimates that 57,560 new cases of cancer will be diagnosed and that approximately 20,570 cancer deaths will occur in Michigan in 2013.<sup>1</sup>

**Cancer and the uninsured**

To reduce this burden, ACS CAN believes that policymakers should take an aggressive approach to fighting cancer. It is important that measures be enacted to ensure that people have access to adequate and affordable healthcare. This is one of the most effective ways to prevent and detect cancer early, treat cancer effectively and bolster the quality of life of patients enduring cancer treatment.

According to the U.S. Census Bureau, there were more than 1,200,000 Michiganders who did not have health insurance in 2011, (or 12.5% of the state population).<sup>2</sup> Two major areas of concern for an individual who receives a cancer diagnosis are "what are the chances of recovery" and "what is the cost of treatment"?

Individuals lacking health insurance are less likely to get recommended cancer screenings and are more likely to be

---

<sup>1</sup> American Cancer Society, "Cancer Facts & Figures, 2012, Updated." Atlanta: American Cancer Society, 2012.

<sup>2</sup> United State Census Bureau, see:

[http://www.census.gov/hhes/www/hlthins/data/historical/HIB\\_tables.html](http://www.census.gov/hhes/www/hlthins/data/historical/HIB_tables.html), accessed 11/12/12, Table HIB-4, "Health Insurance coverage Status & Type of Coverage by State All People: 1999 to 2011.

diagnosed with cancer at later stages.<sup>3</sup> For example, uninsured women diagnosed with breast cancer are 2.5 times more likely to have a late stage diagnosis than women enrolled in private health insurance.<sup>4</sup>

Research also indicates that approximately 10 percent of cancer patients are uninsured at the time of diagnosis.<sup>5</sup> Equally troubling, about one-third of cancer survivors report a loss of health insurance at some point in time since their diagnosis.<sup>6</sup>

Assuring that every Michigander has access to adequate health insurance is important to all these issues. It has been demonstrated that the uninsured and underinsured are more likely to develop cancer, to have their cancer detected later and to receive inadequate treatment. Simply stated, ACS CAN's goal to reduce and eliminate cancer morbidity and mortality cannot be realized without adequate health care access.

#### **Medicaid coverage helps save lives from cancer**

Individuals enrolled in Medicaid have better access to health care than do the uninsured. If they get cancer, it's more likely to be discovered at an early stage and, compared to the uninsured; they have better access to outpatient and hospital care and prescription drugs.

Thousands of hard-working, low-income Michigander continue to lack access to healthcare coverage. Increasing access to health care coverage to those at or below 133% of the Federal Poverty Level (\$15,282 for an individual or \$31,322 for a family of four) will ensure that Michigan families have access to cancer prevention and early detection services. Additionally, participation in the Medicaid expansion, will allow more Michiganders to, see a doctor regularly, access preventive services such as pap smears, mammograms and smoking cessation aids and avoid unnecessary visits to the emergency department. Access to these critical services enhances the likelihood of detecting cancer at an earlier, more curable and much less expensive stage.

---

<sup>3</sup> Halpern MT, Bian J, Ward EM, Schrag NM, Chen AY. "Insurance status and stage of cancer at diagnosis among women with breast cancer." *Cancer* 2007; 110: 403-11.

<sup>4</sup> Kaiser Commission on Medicaid and the Uninsured. "The Uninsured: A Primer. Key Facts About Americans Without Health Insurance," January 2006.

<sup>5</sup> Thorpe KE, Howard D. "Health Insurance and Spending Among Cancer Patients" *Health Affairs* 2003. W3; 189-198.

<sup>6</sup> American Cancer Society Cancer Action Network. "Facing Cancer in the Healthcare System: A National Poll." May 21 - June 10, 2010. <http://www.acscan.org/healthcare/cancerpoll>.

Studies show that individuals enrolled in Medicaid, receive life-saving preventative screenings at higher rates than the uninsured and close to the same rate of those enrolled in private insurance. More than half (56%) of the women aged 40 to 64 enrolled in Medicaid received a mammogram in the past two years, compared to 38% of uninsured women, and 56% of insured women aged 40 to 64.<sup>7</sup> Also, 74% of women aged 18 to 64 enrolled in Medicaid received a Pap smear in the past 3 years, compared to 68% of uninsured women, and 87% of insured women aged 18 to 64.<sup>8</sup>

ACS CAN realizes that the state of Michigan faces significant budget challenges and we encourage you to consider the financial benefit of the Medicaid expansion. Under the ACA, the federal government will pay for 100% of the Medicaid expansion and no less than 90% of the cost to provide health care coverage to working, low-income Michiganders, beyond 2020.<sup>9</sup> As Governor's Snyder's FY14 budget proposal indicated, Michigan could experience economic activity that would allow more than \$20 billion to flow into the state and result in \$1.2 billion in General Fund savings through 2020.

Should the Senate vote to accept the millions of dollars of federal funding being offered to the state of Michigan, to increase access to health coverage through Medicaid - an estimated 320,000 individuals would gain access to timely, appropriate and affordable health care coverage<sup>10</sup>. Further, Michigan will greatly assist in the effort to eliminate cancer as a major health problem.

For this reason, ACS CAN is supportive of HB 4714's goal to extend coverage to all eligible adults up to 133% of the federal poverty level (FPL) between the ages of 21 and 64.

HB 4714 S-7 is an important step to ensure access to health coverage for hundreds of thousand working adults in Michigan,

---

<sup>7</sup> Ward et al. "Association of Insurance with Cancer Care Utilization and Outcomes," A Cancer Journal for Clinicians Volume 58 Number 1 January/February 2008. American Cancer Society Surveillance Research Update 2011.

<sup>8</sup> Ward et al. "Association of Insurance with Cancer Care Utilization and Outcomes," A Cancer Journal for Clinicians Volume 58 Number 1 January/February 2008. American Cancer Society Surveillance Research Update 2011.

<sup>9</sup> The Kaiser Family Foundation, "State Medicaid Fact Sheets," Available at: <http://www.statehealthfacts.org>.

<sup>10</sup> The Kaiser Family Foundation, "The Cost and Coverage Implications of the ACA Medicaid Expansion: National and State-by-State Analysis," Available at: <http://www.kff.org/medicaid/upload/8384.pdf>

however certain provisions of this legislation pose threats to cancer patients. While we agree that many of the provisions of this bill could have a positive impact on Michigan, we were left with a few concerns upon our review of HB 4714:

1. The bill sets up a savings account for each enrollee that can be used to pay for cost-sharing. Enrollees must contribute at least 2% of income into their account. This amount can be reduced based on certain healthy behaviors but can never fall below 2% of income. This could be problematic for enrollees with very low incomes.
2. A bigger concern is the request of an additional waiver to allow the state to force people between 100 and 133% of the FPL after four years on Medicaid to either go into the exchange or stay on Medicaid with 7% cost sharing. The bill states that if this waiver is not approved then the entire Medicaid expansion is terminated. ACS CAN believes that everyone should have affordable health insurance which means that costs, including premiums, deductibles, co-pays, and total out-of-pocket expenditure limits, are not excessive and are based on the family's or individual's ability to pay.
3. Lastly, the bill provides that if the state's cost savings from expansion are not sufficient to meet their responsibilities once federal match falls below 100% then the expansion will no longer apply. For the reasons stated previously, ACS CAN supports accepting the federal dollars available to increase access to health coverage through Medicaid.

As you consider this unique opportunity, I urge you to remember that the only way we can successfully reduce cancer incidence and mortality in Michigan, is through increased access to health care coverage and insurance. We stand ready to assist the Michigan legislature and the Governor in crafting a final proposal. Thank you for the opportunity to comment on the critical health care decisions that lay ahead of this committee and the legislature.